Custom duty on C.A. sheets

2825. SHRI CHIMANBHAI MEHTA:
SHRI SARADA MOHANTY:
SHRIMATI MIRA DAS:
SHRI ANANTRAY DEV-SHANKAR DAVE:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that locally manufactured C.A. Sheets, (Cellulose Acetate) is facing unhealthy competition from imported sheets due to heavy under-invoicing;

(b) whether it is also a fact that local C.A. Sheet's prices for per KG is Rs. 690-1035 and imported C.A. Sheets price is around Rs. 300-480;

(c) whether it is also a fact that C.A. Sheet ex-factory price is Rs. 240-360 while imported C.A. Sheets CIF price is only Rs. 30-60 per KG due to heavy under-invoicing;

(d) whether it is also a fact that one C.A. Sheet producing plant closed down and greater part of installed capacity of C.A. sheets producing industry remain idle; and

(e) whether Government have considered specific custom duty in place of ad-valorem to prevent under-invoicing or substitution of specific-cum-ad-valorem?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) No, Sir.

(b) and (c) The cif price of Cellulose Acetate sheets varies from around Rs. 30 to Rs. 90 per Kg. and on this basis the landed cost varies from Rs. 90 to Rs. 270 per Kg. approximately. As compared to the same, the ex-factory price of indigenous Cellulose Acetate sheets, inclusive of excise duty, ranges between Rs. 140 to Rs. 220 per Kg.

(d) Government is not aware of any factory manufacturing Cellulose Acetate sheets having closed down. One unit appears to have stopped manufacturing Cellulose Acetate sheets due to quality problems, and is manufacturing other sheets.

(e) No, Sir.

Duty on raw materials consumed by TV and Electronic Industries

2826. SHRI CHIMANBHAI MEHTA:
SHRI SARADA MOHANTY:
SHRIMATI MIRA DAS:
SHRI ANANTRAY DEV-SHANKER DAVE:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that local TVs are costlier due to high duty component as compared to imported TVs;

(b) whether it is also a fact that the duty on raw materials consumed by TV and electronics industry is much higher and therefore components are imported;

(c) if so, what are the details of duty rates of main raw material, and

(d) whether it is also a fact that in other TV manufacturing countries, raw materials are imported on a duty free base or with nominal duty, while in our country these materials attract the duty of 110 per cent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) TVs can generally be imported only as part of baggage by passengers coming from abroad and attract a rate of customs duty (basic + auxiliary) of 255 per cent except when brought under Transfer of Residence Rules in which case they attract a rate of duty of 25 per cent in addition, counterveiling duty equivalent to Central Excise duty is payable. At the rate of basic plus auxiliary customs duty of 255 per cent with counterveiling duty, the landed cost of imported colour TVs are comparable to the retail consumer price of local colour TVs. Black & White TVs produced indigenously are generally fully exempt from excise duty.

(b) to (d) In accordance with the existing policy of the Government, a large number of raw materials and piece parts for electronic industry are subject to concessional basic plus auxiliary customs duty of 40 per cent and 60 per cent respectively. Specified components